

**STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES**

**APPLICATION OF SILVERBACK
OPERATING II, LLC
TO EXTEND TIME TO COMMENCE
DRILLING OPERATIONS,
EDDY COUNTY, NEW MEXICO**

**CASE NO. _____
ORDER NO. R-22567**

APPLICATION

Silverback Operating II, LLC (“Applicant”) (OGRID No. 330968), through its undersigned attorney, hereby files this Application with the Oil Conservation Division of the State of New Mexico (“Division”) requesting a one-year time extension to commence drilling the Well(s) authorized by Order No. R-22567 (“Order”). In support of its application, Applicant states the following:

1. The Division entered the Order in Case No. 23194 on March 30, 2023.
2. The Order pooled all uncommitted interests in the Atoka Glorieta Yeso Formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the S/2 Section 16, Township 18 South, Range 26 East, NMPM Eddy County, New Mexico (“Unit”), for the purpose of drilling the Netherlin State Com #102H well (“102H Well”), and the Netherlin State Com #103H well (“103H Well”). The 102H Well and 103H Well are referred to collectively herein as the “Wells.”
3. The Order designated Applicant as operator of the Unit and Wells. Paragraphs 19 and 20 of the Order require applicant to commence drilling the Wells within one (1) year of the date of the Order unless Applicant obtains a time extension from the Division Director for good cause shown.

4. Applicant's ability to commence drilling the wells has been delayed by offset develop, midstream infrastructure delays, and Applicant's resulting need and desire to avoid operational scenarios that require flaring natural gas in order to produce the Wells.

5. Accordingly, Applicant requests that the Division extend the deadline to commence drilling the Wells until March 30, 2025.

WHEREFORE, Applicant requests that this application be set for hearing on March 7, 2024, and after notice and hearing, the Division extend the deadline to commence drilling the Wells under the Order until March 30, 2025.

Respectfully submitted,

HOLLIDAY ENERGY LAW GROUP, PC

/s/ Benjamin B. Holliday
Benjamin B. Holliday
107 Katherine Court, Suite 100
San Antonio, Texas 78209
Phone: (210) 469-3197
ben@theenergylawgroup.com
ben-svc@theenergylawgroup.com
Counsel for Silverback Operating II, LLC